



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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March 5, 2002

TO: Minerals File

THRU: D. Wayne Hedberg, Permit Supervisor 

FROM: Tom Munson, Senior Reclamation Specialist 

RE: Division Meeting Regarding Non-Compliance at the Dry Stack Tailings Site, Burgin Mine Site, M/049/009, Utah County, Utah

Date of Meeting: February 25 and 26, 2002
Location: Division's Copper Room
Time of Meeting: 4:30 p.m. - 6:00 p.m. on the 25th and 1:30 p.m. - 2:30 p.m. on the 26th
Participants: Mike Lee (Burgin Mine), Wayne Hedberg, Mary Ann Wright, Tom Munson on the 25th, and Mike Lee (Burgin Mine), Tom Munson and Wayne Hedberg on the 26th

Purpose of Meetings: To resolve the non-compliance situation at the Dry Stack Tailings area.

The February 25th meeting started off with introductions of Mr. Mike Lee to Division staff as the new Mine Manager for the Burgin Mine. Mr. Lee apologized for the situation and as such was brought up to speed regarding the non-compliance situation. Mr. Lee stated that he had been led to believe that the property was properly permitted and could be used. His first day of work was in January, 2002, so he was not yet familiar with the permit and the permitted disposal areas.

He informed us that the mine was dumping process tailings on an old waste dump area close to the mill, but he was not certain of the exact location. He agreed to go back that evening and check the disposal location against a base map of the mine area, which we gave to him during the meeting. We informed him that Tintic Utah Metals would need to post a bond for the disturbance or reclaim the site. They would also need to properly permit the new disposal area, if it wasn't included under the approved permit. Mr. Lee stated that they are not doing the process they originally intended of using cyanide to extract the gold and silver from the ore. Instead of using the cyanide process, they are crushing and floating the ore with Aerofloat 208 at 0.05lb/ton of ore to produce a concentrate. Mr. Lee stated that this chemical was totally benign. We informed him that we would need to have documentation of this.

On February 26th, Mr. Lee returned to the Division after having determined exactly where the tailings were being placed. He informed us the tailing materials were being placed on the

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waste rock disposal area southwest of the concentrator building as shown on Figure 5-1, and immediately south of the Burgin #2 as shown on Figure #5. We advised him that he would now have to permit the waste rock area for disposal of tailings, or at the very least review its permitting criteria. We recommended that he finish permitting the Dry Stack Disposal area and use that area, since the Division would require him to post a bond for the area currently disturbed. We advised him that it made more sense for him to complete the Dry Stack permit amendment, instead of complicating and delaying the process by permitting and bonding two areas. New questions and technical concerns would arise with use of the older waste dump as a long term tailings disposal area.

Final Meeting Outcome

Mr. Lee agreed to do the following things within the following timeframes:

1. Write the Division a letter outlining the company's plans to resolve this matter within a day or two. A fax of the letter would be sent followed by a hard copy in the mail.
2. Submit the \$60,400.00 reclamation bond for the Dry Stack Tailings Facility, by March 8, 2002.
3. Within 90 days or by May 31st, whichever comes first, remove and sell the tailings from the Waste Rock Disposal area, or move them to the Dry Stack Tailings area for disposal.
4. Within 90 days or by May 31st, whichever comes first, revise the Dry Stack permit amendment application to reflect any necessary changes to the proposal.

jb

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